

2010 Forest Carbon Workgroup Workgroup Charter — April 2010

I. Background and Authority

In response to a 2008 Legislative directive (E2SHB 2815),¹ the FOREST SECTOR WORKGROUP ON CLIMATE CHANGE MITIGATION was chartered in April 2008 and in late 2008 delivered its *Final Report*² to the Director of the Department of Ecology and the Commissioner of Public Lands. The Workgroup recommended a mix of carbon offset proposals, other (non-offset) carbon incentive proposals, and several related recommendations. The offset and other credit recommendations addressed avoided and mitigation conversion of forest land to non-forest uses, urban reforestation, and forest management to increase carbon sequestration and storage. Due to time constraints on the 2008 process, details of some recommendations were incomplete, as described in the Workgroup's report.

On May 21, 2009, Governor Gregoire issued Executive Order 09-05, "Washington's Leadership on Climate Change,"³ which includes the following directive to the Director of the Department of Ecology:

"(e) In consultation with the Department of Natural Resources and the forest carbon sector working group, develop by September 1, 2010, recommendations for forestry offset protocols as well as other financial incentives for forestry and forest products. The starting point for this work should be the 2008 forest sector working group report"

This directive is premised on (1) the likelihood that federal climate legislation will include provisions recognizing the validity of offset credits meeting specified criteria created before enactment of the federal legislation, and (2) the desire to enable Washington landowners to participate in a robust voluntary or compliance-based carbon sequestration market that will reduce the likelihood of loss of forest land to non-forest uses.

On March 24, 2010, Governor Gregoire signed into law ESHB 2541 (Chapter 188, Laws of 2010), which includes the following:

"Sec. 5. (1) The department of natural resources shall, to the degree that resources are available, develop, consistent with this section, proposals for the development of appropriate landowner conservation incentives that support forest landowners maintaining their land in forestry. These incentives may include, but are not limited

¹ [RCW 70.235.030](#)

² *Forest Sector Workgroup on Climate Change Mitigation: Final Report (2008)* is available here: http://www.ecy.wa.gov/climatechange/2008FAdocs/11241008_forestreportversion2.pdf

³ E.O. 09-05 is available here: http://www.governor.wa.gov/execorders/eo_09-05.pdf

to, incentives that are related to ecosystem service markets, tax incentives, easements, technical assistance, and recognition or certification.” [see full text of Sec. 5 in appendix.]

II. Sponsorship, Purpose

The 2010 FOREST CARBON WORKGROUP is being jointly sponsored by the Washington State Departments of Ecology and Natural Resources.

The purpose of the Workgroup is provide the forum for stakeholders and government representatives to develop recommendations to the Departments of Ecology and Natural Resources to address the intent of Executive Order 09-05 as quoted above, and to partially address the intent of ESHB 2541. The starting point for this work is the 2008 Workgroup’s Final Report.

We will also try to be aware of other discussions that may be occurring in other jurisdictions on subjects closely related to our purpose and scope, and where possible coordinate our activities with those related efforts.

III. Scope of the Group’s Work

The scope of this group’s work may include the following elements:

- Further develop effective state incentive mechanisms to reward forest landowners for maintaining significant carbon storage in forests and long lived wood products.
- Further address the issue of avoided conversion of working forest lands from the standpoint of the carbon sequestration implications of conversion, and ways that consideration of carbon effects can be built into working forest retention efforts.
- Explore provisions of forest project protocols (including but not limited to the Climate Action Reserve’s Forest Project Protocol⁴) that may pose barriers to participation by Washington landowners. Develop recommendations, if deemed appropriate, for changes in protocols that reduce such barriers by allowing alternative methods for demonstrating equivalent environmental outcomes appropriate to Washington state’s legal and regulatory setting. The group may consider the value of offsets whether in a voluntary or compliance-based setting, or in response to general project mitigation requirements. The group may also take into consideration the desire to move the protocol(s) closer to full consistency with the Western Climate Initiative’s offset criteria. It is not the intent of the Workgroup to re-negotiate the fundamental provisions of the

⁴ The CAR Forest Project Protocol is available here: <http://www.climateactionreserve.org/how/protocols/adopted/forest/development/>. See especially Section 3.9, “Sustainable Harvesting and Natural Forest Management Practices.”

protocols such as those related to permanence, baseline, additionality, and leakage.

IV. Responsibilities of Participants

Invitees are expected to represent the interests of their organizations, and bring a strategic, policy-oriented perspective to benefit the group. Invitees are expected to make every effort to participate in all group meetings and activities, including participating electronically. Designees may be explicitly named to the group as substitutes for the invitees. Invitees and designees will make every possible effort to ensure that designees are well prepared to participate in the group's ongoing work process, so that progress is maintained. Other organization representatives are welcome to attend meetings as observers in the absence of the organization's invited member.

Meetings will be open to the public. Observers will not participate in the deliberation of the group unless invited by the group. Meetings will be announced on the Department of Ecology's climate change website.⁵ Work products of the group will also be posted to this site. The sponsors will assure that at each meeting a time will be allowed for public comment. The group's recommendations will be made available for public comment.

V. General Approach

The general strategy the group will use to meet its objectives will be as follows:

- Agency-assisted collaborative discussions among all participants at a series of regularly-scheduled meetings, as well as between-meeting homework, sub-group work, and research, and drafting of group documents, indicating degree of consensus and nature of any significant disagreements. An objective is to provide in-depth, nuanced input to decision-makers on the most important matters for group participants.

The Sponsors expect the group and its individual members to consider the following guidelines in communications, including communications among group members, with Sponsors and their designees, and with external parties:

- Be mutually respectful;
- Be honest about one's own or one's group's core values, interests, and goals;
- Avoid attributing positions or motives to other parties in communicating externally;

⁵ www.ecy.wa.gov/climatechange/index.htm

- Communicate externally as a group as much as possible, for example through periodic agreed-on statements of progress;
- Use commonly used collaborative communication guidelines.

The process the group uses should serve to bring out group members' important and relevant values, interests, and objectives, and those of the organizations they represent, so that shared values, interests, and objectives can be identified, and so that principled disagreements can surface clearly and be explicitly discussed by the group, with the purpose of identifying the greatest possible group agreement on objectives related to the work of the group, and so that remaining interest-based disagreements can be fully understood by all group members.

This Workgroup is expected to consider the advantages of presenting a consensus recommendation wherever possible. Generally, "consensus" means that all members of the group can at least "live with" a proposed decision, even if their first preference might be a different decision. To the extent that consensus is reached, members will be expected to honor and promote it both in letter and spirit.

Recognizing the complexity of the issues and interests involved, non-consensus alternatives will be expected and acceptable in this process.

The main written product of the group's work is expected to be a progress report, followed by a final report (see major milestones, below). The reports will identify all areas of consensus, together with a description of the alternative approaches preferred by Workgroup members in areas where consensus was not reached, and the rationale for such approaches.

During meetings, Workgroup members will be polled to determine whether or not a consensus exists on a given issue. Agreements reached during the course of group discussions on one issue are not considered final until a disposition (consensus or not) is agreed to on all issues to be covered by the group's report; i.e., nothing is final until everything is final.

VI. Time Schedule and Logistics

Major milestones

- **September 30, 2010** – Progress report to the Departments of Ecology & Natural Resources, including interim recommendations for legislation, if any.
- **December 1, 2010** – Final report, or Second progress report if the group agrees to continue its activities in 2011.

Anticipated meeting frequency and logistics

- April through December 2010 – Monthly (with additional sub-group work between meetings)

- If the group chooses to continue its work into 2011, it is anticipated that meetings would not be scheduled during the 2011 Legislative session.
- Meetings will generally be 10:00 AM to 3:00 PM with the option of a working lunch.
- Meetings will initially be planned in Olympia, Seattle, or elsewhere in the central Puget Sound area.
- Meetings will be in-person, with a call-in option.

Meeting co-conveners

Craig Partridge (DNR) & Stephen Bernath (Ecology)

APPENDIX

Section 5 of ESHB 2541 (Chapter 188, Laws of 2010)

NEW SECTION. Sec. 5. (1) The department of natural resources shall, to the degree that resources are available, develop, consistent with this section, proposals for the development of appropriate landowner conservation incentives that support forest landowners maintaining their land in forestry. These incentives may include, but are not limited to, incentives that are related to ecosystem service markets, tax incentives, easements, technical assistance, and recognition or certification.

(2) The department of natural resources shall consult with the forest practices board, representatives of federal, state, and local government, Indian tribes, small forest landowners, conservation groups, industrial foresters, and other individuals deemed beneficial by the department in implementing this section.

(3) By December 31, 2011, the department of natural resources must present their research and any proposed incentives to the governor, the appropriate committees of the legislature, the commissioner of public lands, and the forest practices board. The department of natural resources shall also offer to present their findings and recommendations to the Washington congressional delegation, local governments, and any state or federal agency that has as a portion of their mission the support of Washington's working land base and the jobs, products, and ecological values that working lands provide.

(4) Neither the activities nor outcome of the department of natural resources' actions or decisions under this section shall cause, promote, or delay rule making by the forest practices board in the execution of its applicable duties.

(5) The department of natural resources is authorized to seek federal and private funds, and in-kind contributions to complete the work in this act. At the discretion of the department of natural resources, the department must comply with this act only to the degree that existing or acquired nonstate resources permit.

(6) This section expires July 1, 2012.